UNITED
NATIONS

DP

Governing Council
of the
United Nations
Development Programme

Distr.
GENERAL

DP/1991/SR.39
1 July 1991

ORIGINAL: ENGLISH

GOVERNING COUNCIL

Thirty-eighth session

SUMMARY RECORD OF THE 39th MEETING

Held at Headquarters, New York,
on Tuesday, 25 June 1991, at 3 p.m.

President: Mr. PIRIZ-BALLON (Uruguay)

CONTENTS

Adoption of draft decisions on agency support costs

Adoption of draft decisions submitted by the Drafting Group

Matters related to the work of the Governing Council in 1992 (continued)

Suspension of the session

This record is subject to correction.

Corrections should be submitted in one of the working languages. They should be set forth in a memorandum and also incorporated in a copy of the record. They should be sent within one week of the date of this document to the Chief, Official Records Editing Section, Department of Conference Services, room DC2-750, 2 United Nations Plaza.

Any corrections to the records of the meetings of this session will be consolidated in a single corrigendum, to be issued shortly after the end of the session.

The meeting was called to order at 3.20 p.m.

ADOPTION OF DRAFT DECISIONS ON AGENCY SUPPORT COSTS (DP/1991/L.11, L.12 and L.13)

Draft decision DP/1991/L.11

1. Mr. KRAMER (Canada), speaking as Vice-President, said that, in accordance with the agreement reached during informal consultations, document DP/1991/L.11 should be amended. In paragraph 12, "paragraph 6" should be changed to "paragraph 4"; the following words should be added at the end of paragraphs 18 and 21: "and requests the Administrator to report thereon to the Council at its thirty-ninth session." Paragraph 27 should be deleted. In paragraph 33, a full stop should be inserted after "each year"; the word "including" should be deleted, and the new sentence should read "The report should include information on the status of the financial provisions of the successor arrangements ...". In annex I, the lines should be numbered, so that "Support costs for transitionary projects" would be line 1, and "Country and intercountry IPF sub-lines" would be line 9. Line 2 should be changed to read "Provision for nationally implemented projects approved in accordance with paragraph 16 of this decision and SPR-financed nationally implemented projects"; the figure corresponding to that line should be changed to 17. Line 4 should be changed to read "Support costs for SPR-funded projects (excluding nationally implemented projects)"; the figure corresponding to that line should be changed to 23. An asterisk should be inserted after the figure 627 on the "TOTAL" line, and the following footnote should be added below footnote a/: "* Excludes line 2." Lastly, in annex IV, paragraph 14, "UNDP" should be inserted before "project cycle", and the word "such" should be added after "for all"; in paragraph 16, the word "support" should be inserted between "operational" and "services".

2. Ms. PRADEL (Germany) suggested that the words "and SPR-financed projects" should be added in paragraph 26 of the draft decision, after "intercountry projects".

3. Ms. EHRENREICH (Denmark) said that she would like the representative of Canada to confirm that it had been agreed during informal consultations to add the asterisk and the footnote mentioned in his statement.

4. Mr. SAHA (India) said that the reference in annex IV, paragraph 9, to "paragraph 7 of the present annex" was perhaps an error; the intention might have been to refer to paragraph 8.

5. Mrs. DUDIK-GAYOSO (United States of America) said that she would appreciate hearing it confirmed that the figures for annex I which had been read out by the representative of Canada were indeed those which had been agreed on during informal consultations.

6. Mr. KRAMER (Canada), speaking as Vice-President, said that the questions raised by the representatives of Denmark and the United States could be answered affirmatively. Annex I contained a distillation of the financial issues and represented no change from what had been agreed on during informal consultations. The asterisk and the footnote had been added for editorial reasons, taking into account the concern of some delegations that footnote a/ was not sufficiently visible.

7. Draft decision DP/1991/L.11, as amended, was adopted.

8. Mr. PETTITT (United Kingdom), explaining the position of Austria, Germany, Italy, Switzerland, the Union of Soviet Socialist Republics, the United States and the United Kingdom on the draft decision just adopted, said that those countries interpreted the expression "national execution" in paragraph 11 as having the same meaning as it did in Governing Council decision 1990/21, paragraph 1.

9. The delegations on whose behalf he spoke requested that the functioning of the arrangements outlined in paragraph 11 should be among the subjects to be covered in the reports of the Administrator which were provided for in paragraphs 32 and 33 of the draft decision. That request was being made in the event that unforeseen factors, such as switching between sectors, reductions in expenditure or difficulties with expenditure in certain programmes, threatened to defeat the purpose of paragraph 11, which was to trigger the TSS-2 resources in time for their use, provided that national execution in the sectors covered by the new regime grew in accordance with the Council's expectations.

Draft decisions DP/1991/L.12 and L.13

10. Draft decisions DP/1991/L.12 and L.13 were adopted.

11. Mr. PETTITT (United Kingdom) said that his delegation had supported the adoption of draft decision DP/1991/L.12 in order not to jeopardize the consensus. It had agreed to the proposal in paragraph 10 on the charging of administrative and operational services, on the understanding that agreement had been reached with the secretariats of the relevant agencies, and that the agencies had determined that the contributions in kind were at least equal to the value of the new subsidy required of them. Since the figure of 7.5 per cent had not been agreed upon with the agencies, the logical basis for his delegation's support of the text had been undermined. While the United Kingdom did not foresee any difficulties, it reserved the right to take a different view if necessary in the other relevant governing bodies.

12. Mr. KRAMER (Canada), speaking as Vice-President, drew attention to a draft decision on sectoral support which was before the Council. As the document had no symbol and had not been translated into all the working languages, he doubted whether it could be adopted at the current meeting.

13. After a procedural discussion in which Mr. PETTITT (United Kingdom), Mrs. DUDIK-GAYOSO (United States of America), Mr. RONDON-MUSSO (Venezuela) and Mr. OKSAMITNIY (Union of Soviet Socialist Republics) took part, the PRESIDENT invited the Secretary of the Council to read out the draft decision in English.

14. Mr. KIRDAR (Secretary of the Council) read out the draft decision.

15. The PRESIDENT said that, if he heard no objection, he would take it that the Council agreed to adopt the draft decision ad referendum.

16. It was so decided.

ADOPTION OF DRAFT DECISIONS SUBMITTED BY THE DRAFTING GROUP (DP/1991/L.8 and Add.1-31)

17. Mr. UMER (Pakistan), speaking as Chairman of the Drafting Group, drew the Council's attention to the Drafting Group's report and the draft decisions submitted for adoption (DP/1991/L.8 and Add.1-31).

Draft decision DP/1991/L.8/Add.1

18. Draft decision DP/1991/L.8/Add.1 was adopted.

Draft decision DP/1991/L.8/Add.2

19. Draft decision DP/1991/L.8/Add.2 was adopted.

Draft decision DP/1991/L.8/Add.3

20. Draft decision DP/1991/L.8/Add.3 was adopted.

Draft decision DP/1991/L.8/Add.4

21. Draft decision DP/1991/L.8/Add.4 was adopted.

Draft decision DP/1991/L.8/Add.5

22. Draft decision DP/1991/L.8/Add.5 was adopted.

Draft decision DP/1991/L.8/Add.6

23. Draft decision DP/1991/L.8/Add.6 was adopted.

Draft decision DP/1991/L.8/Add.7

24. Draft decision DP/1991/L.8/Add.7 was adopted.

Draft decision DP/1991/L.8/Add.8

25. Draft decision DP/1991/L.8/Add.8 was adopted.

Draft decision DP/1991/L.8/Add.9

26. Draft decision DP/1991/L.8/Add.9 was adopted.

Draft decision DP/1991/L.8/Add.10

27. Draft decision DP/1991/L.8/Add.10 was adopted.

Draft decision DP/1991/L.8/Add.11

28. Mr. KIRDAR (Secretary of the Council) said that, owing to a mistake by the sponsors of the draft decision, Yemen originally had not been included in the list of countries to receive assistance. The document had been reissued to allow for the inclusion of Yemen.

29. Mr. GEBREMEDHIN (Observer for Ethiopia) said that although his delegation did not object to the inclusion of Yemen, it had profound reservations regarding the procedure followed in the consultations.

30. Mr. GATHUNGU (Kenya) said that he was not satisfied with the Secretary's explanation, and had reservations regarding the procedural arrangements for the consultations and the way in which the content of the document had been altered. He emphasized, however, that the people and Government of Kenya were grateful to the Governing Council for draft decision DP/1991/L.8/Add.11. They looked forward to further United Nations assistance to the refugees in the region.

31. Draft decision DP/1991/L.8/Add.11 was adopted.

Draft decision DP/1991/L.8/Add.12

32. Draft decision DP/1991/L.8/Add.12 was adopted.

Draft decision DP/1991/L.8/Add.13

33. Draft decision DP/1991/L.8/Add.13 was adopted.

Draft decision DP/1991/L.8/Add.14

34. Draft decision DP/1991/L.8/Add.14 was adopted.

Draft decision DP/1991/L.8/Add.15

35. Draft decision DP/1991/L.8/Add.15 was adopted.

Draft decision DP/1991/L.8/Add.16

36. Draft decision DP/1991/L.8/Add.16 was adopted.

37. Mr. AL-FAIHANI (Observer for Bahrain) said that paragraph 2 of draft decision DP/1991/L.8/Add.16 failed to indicate the degree of emphasis which the new programme would place on the social development, the economic development and the environment of the countries affected by the Gulf crisis. Those three areas should be given equal attention in the preparation of the programme for the region.

Draft decision DP/1991/L.8/Add.17

38. Draft decision DP/1991/L.8/Add.17 was adopted.

Draft decision DP/1991/L.8/Add.18

39. Draft decision DP/1991/L.8/Add.18 was adopted.

Draft decision DP/1991/L.8/Add.19

40. Draft decision DP/1991/L.8/Add.19 was adopted.

Draft decision DP/1991/L.8/Add.20

41. Draft decision DP/1991/L.8/Add.20 was adopted.

Draft decision DP/1991/L.8/Add.21

42. Draft decision DP/1991/L.8/Add.21 was adopted.

Draft decision DP/1991/L.8/Add.22

43. Mr. UMER (Pakistan), speaking as Chairman of the Drafting Group, pointed out that the fourth preambular paragraph, which had been deleted by the Drafting Group, had inadvertently been included. It should be deleted from the text.

44. Draft decision DP/1991/L.8/Add.22, as revised, was adopted.

Draft decision DP/1991/L.8/Add.23

45. Mr. GUERRERO (Philippines), referring to draft decision DP/1991/L.8/Add.23 on emergency aid to the Philippines, said that his Government wished to express its profound gratitude for the support received during the emergency. At first, the Philippines had thought that its own resources would be sufficient, but the problems had been so great that it had needed the support of the entire world. United Nations agencies as well as other multilateral institutions had come to the aid of the Philippines. His Government wished to thank them all.

46. Draft decision DP/1991/L.8/Add.23 was adopted.

Draft decision DP/1991/L.8/Add.24

47. Mr. UMER (Pakistan), speaking as Chairman of the Drafting Group, said that the words "as providing the framework for the United Nations Development Programme's activities in this area" should be inserted at the end of paragraph 2.

48. Draft decision DP/1991/L.8/Add.24, as revised, was adopted.

Draft decision DP/1991/L.8/Add.25

49. Draft decision DP/1991/L.8/Add.25 was adopted.

50. Mr. DENU (Ghana), speaking on behalf of the Group of 77, said that the Group of 77 acknowledged the need for the highest level of professionalism in the preparation of the Human Development Report. In the same spirit, and in the light of earlier statements made in the Council, it considered that the "human freedom index" must not be included in future issues of that report. The Group of 77 expected the report to focus on priority areas of human development along the lines of the 1990 issue.

51. The inclusion of his statement in the summary record would represent partial fulfilment of the condition under which the members of the Group of 77 had agreed to the adoption of the draft decision as it stood.

52. Mrs. DUDIK-GAYOSO (United States of America) said her delegation regretted that the Group of 77 had made a statement, breaking the Council's long tradition of avoiding political groupings in order to concentrate on its technical work.

53. Mr. ZHANG Guanghui (China), reiterating his delegation's position on the Human Development Report 1991, and in particular the "human freedom index", said that the information on China was at variance with the actual situation in his country; its inclusion in the report was inappropriate. UNDP should concentrate on promoting the revitalization of the economic growth and development of the developing countries, and should not introduce ideological issues in its operational work.

Draft decision DP/1991/L.8/Add.26

54. Draft decision DP/1991/L.8/Add.26 was adopted.

Draft decision DP/1991/L.8/Add.27

55. Draft decision DP/1991/L.8/Add.27 was adopted.

56. Miss HASSAN (Observer for Egypt) noted that in paragraph 4 of draft decision DP/1991/L.8/Add.27, the Administrator was requested to "inform" the Governing Council at its thirty-ninth session on the implementation of the decision. The information could therefore be presented orally rather than in writing.

Draft decision DP/1991/L.8/Add.28

57. Mr. AL-FAIHANI (Observer for Bahrain) said that his Government had reservations concerning the preparations for the fifth programming cycle. Draft decision DP/1991/L.8/Add.28 did not separate the question of net contributor status from the question of the cost of field offices, and would lead to closure of field offices in a number of developing countries despite their importance not only to Governments and to the Programme, but also to the United Nations system in general.

58. The provisions on field offices constituted a disavowal by the Governing Council and the Programme of the agreement concerning the extension of UNDP assistance to all developing countries. In addition, the draft decision linked certain financial questions that had caused disagreement during the fourth programming cycle to indicative planning figures (IPFs) for the fifth cycle.

59. As the draft decision was silent on the question of charging the costs for the resident representative and his deputy to UNDP in countries with net contributor status, the Governing Council had gone back on its decision 85/16. However, the draft decision did lay down conditions for charging to the Programme the costs of the two posts.

60. The draft decision divided countries having net contributor status into several subclassifications. It forced a number of developing countries to accept the principle of net contributor status. The non-issuance of IPFs for some developing countries would lead to their being classified as non-developing countries, with the consequent loss of technical assistance from United Nations agencies.

61. The draft decision ignored the Governing Council decision that had called on the Administrator to develop environmental and geographical criteria for determining net contributor status during the fifth programming cycle.

62. The draft decision also ignored agreements between Governments and UNDP. For example, it went beyond the provisions of articles 5 and 6 of the agreement between Bahrain and the Programme on the contributions of the Government, its participation in the implementation of projects and the estimated cost of projects to be paid in local currency.

63. Moreover, the draft decision ignored certain legal questions arising from previous decisions of the Governing Council. In some respects, it was one-sided and ignored the opinions of some of the affected countries. It was not even consistent with previous decisions of the Governing Council, including paragraph 11 of decision 85/16, which called on the Administrator to negotiate amendments to the Standard Basic Agreement with Governments.

64. Mr. KIRDAR (Secretary of the Council) said that the subject of draft decisions DP/1991/L.8/Add.28 and 30 was preparations for the fifth programming cycle. It might be better to add the words "net contributor status" to the title of the former, and "regional IPFs" to the title of the latter, so as to distinguish the two.

65. Mr. PETTITT (United Kingdom) pointed out that the question of net contributor status had little to do with paragraph 1 of draft decision DP/1991/L.8/Add.28, which dealt with Special Drawing Rights.

66. Mrs. DUDIK-GAYOSO (United States of America) added that paragraph 13 also dealt with issues unrelated to net contributor status; perhaps only the title of draft decision DP/1991/L.8/Add.30 should be changed.

67. Draft decision DP/1991/L.8/Add.28 was adopted.

Draft decision DP/1991/L.8/Add.29

68. Mr. UMER (Pakistan), speaking as Chairman of the Drafting Group, said that a new subparagraph should be inserted in paragraph 7: "(a) Functions of the Strategy Group and their relationship to the functions of the Governing Council and the Bureau for Programme Policy and Evaluation". The former subparagraph (a) would become subparagraph (b), and so on.

69. Draft decision DP/1991/L.8/Add.29, as amended, was adopted.

70. Mr. YENEL (Observer for Turkey) noted that the report entitled "A strategy-based senior management structure for the United Nations Development Programme" (DP/1991/50) had been commissioned by the Governing Council on 22 June 1990. Turkey had, however, requested more time to study and digest the proposals in the report. It was his Government's understanding that the implementation of the draft decision just adopted would be considered in the light of the views expressed by delegations when the item had been discussed. Turkey understood that no major decision would be taken without the consent of the Governing Council.

Draft decision DP/1991/L.8/Add.30

71. The PRESIDENT reiterated the suggestion that the words "regional IPFs" should be added to the title of the draft decision.

72. It was so decided.

73. Draft decision DP/1991/L.8/Add.30, as amended, was adopted.

Draft decision DP/1991/L.8/Add.31

74. Draft decision DP/1991/L.8/Add.31 was adopted.

Draft decision DP/1991/L.9

75. Mr. AMAZIANE (Observer for Morocco) noted that the High-level Committee on the Review of Technical Cooperation among Developing Countries had just ended its seventh session, and wondered whether the Governing Council would now take note of its report, as was usual.

76. Mr. GOMEZ (Associate Administrator) said that draft decision DP/1991/L.9, "Extract from the report of the High-level Committee on the Review of Technical Cooperation among Development Countries on its seventh session", would be dealt with later on.

77. Mrs. DUDIK-GAYOSO (United States of America) recalled that technical cooperation among developing countries had been taken up under agenda item 2, and that in draft decision DP/1991/L.8/Add.5, the Council had welcomed decision 7/1 of the High-level Committee.

MATTERS RELATED TO THE WORK OF THE GOVERNING COUNCIL IN 1992 (continued)

78. Mr. KIRDAR (Secretary of the Council) said that the resumed session of the Governing Council, including meetings of the Standing Committee for Programme Matters, would be held from 4 to 6 September 1991; the organizational meeting for 1992 would be held on 10 February 1992; the special session, including meetings of the Standing Committee, would be held from 10 to 14 February 1992; and the Council's thirty-ninth session would be held at Geneva from 4 to 29 May 1992.

79. Mrs. DUDIK-GAYOSO (United States of America) wished to know when the documentation on Special Programme Resources would be available for the September meeting. In 1992, the Standing Committee would have to consider approximately 120 country programmes, 20 of which would be ready in February 1992. Since it would be difficult to consider more than five country programmes a day, she proposed that the special session should last at least four days. It seemed unlikely that the Standing Committee would be able to consider 89 country programmes at the Council's thirty-ninth session, and she proposed that the Committee should meet some time between February and May 1992 to consider only country programmes.

80. Mr. AMAZIANE (Observer for Morocco) said that the Governing Council's organizational meeting should not overlap with the organizational meeting of the Economic and Social Council, which would also be held in February 1992.

81. Mr. SIEBER (Switzerland) supported the comments made by the representative of the United States. The Administration should arrange for the holding of informal consultations of the Standing Committee to discuss the programme guidelines, at the resumed session in September 1991.

82. Mr. MISSARY (Observer for Yemen) said that, according to the last paragraphs of the Governing Council's draft decisions on assistance to Yemen (DP/1991/L.8/Add.27) and on assistance to Djibouti, Ethiopia, Kenya, Somalia, the Sudan and Yemen (DP/1991/L.8/Add.11), the Administrator was requested to report to the Council at its thirty-ninth session and at its special session in February 1992. However, the programme of work for the special session made no mention of the Administrator's report.

83. Ms. JANJUA (Pakistan), referring to the suggestion made by the representative of Switzerland, said that the holding of informal consultations on the programme guidelines could be discussed at the Governing Council's resumed session in September.

84. Mr. KIRDAR (Secretary of the Council) said that all documentation on Special Programme Resources for the Governing Council's resumed session had been issued, except for one conference room paper; the conference room paper was currently available in English, and the Council would take action to make that paper available in all the other official languages. At the special session in February 1992, the Standing Committee would meet for four days, which would enable it to consider five country programmes a day.

85. In February, the Council would consider the programme of work for its thirty-ninth session, and at that time would be able to decide on a schedule of meetings for the Standing Committee. The Council would decide at a later date whether to schedule additional meetings of the Council and the Standing Committee to consider the remaining country programmes.

86. While the Governing Council decision on the UNDP Gulf Task Force (DP/1991/L.8/Add.16) did request the Administrator to report to the Council at the special session in February 1992, he suggested that the Council should consider the Administrator's report on that item, as well as his reports on other substantive items, at its thirty-ninth session.

87. Mr. GATHUNGU (Kenya) said that the African countries had expressed concern regarding the scheduling of the Governing Council's resumed session from 4 to 6 September 1991, since at that time they would be very busy with the final review of the United Nations Programme of Action for African Economic Recovery and Development. That would make it difficult for African countries to attend meetings of the Council and the Standing Committee. The secretariat should therefore try to reschedule the resumed session during the week of 16 September 1991. He hoped that in future, when the Council scheduled its meetings, due account would be taken of the concerns of African countries.

88. Mr. KIRDAR (Secretary of the Council) said that the secretariat would endeavour to reschedule the resumed session during the week of 16 September.

89. Mr. AMAZIANE (Observer for Morocco) said that his delegation believed that, in accordance with paragraph 4 of the Council decision contained in DP/1991/L.8/Add.16, the Administrator should report to the Council at its special session in 1992.

90. Ms. EHRENREICH (Denmark) said that the Governing Council should allocate time for the Standing Committee to consider country programmes at the special session and, possibly, at the thirty-ninth session as well.

91. Mrs. DUDIK-GAYOSO (United States of America) said that, in addition to its consideration of country programmes at the special session, the Standing Committee would have before it a number of other items. If the Governing Council did not decide to extend the special session, the Council and the Standing Committee would have to hold concurrent meetings. Further, it was advisable to make tentative arrangements as soon as possible for meetings of the Standing Committee to be held some time between February and May.

92. If the current documentation on Special Programme Resources was all the information that would be available, it would be very hard for her delegation to approve many of those funds at the resumed session in September 1991.

93. Mr. GOMEZ (Associate Administrator) said that, at its resumed session, the Governing Council would be in a position to report on the Council's workload with respect to country programmes for the first half of 1992. The Council would endeavour to reschedule that session for the week of 16 September.

94. Mr. AMAZIANE (Observer for Morocco) raised a question about the meeting of the international committee at which the Administrator would present the programme of the Gulf Task Force.

95. Mr. KIRDAR (Secretary of the Council) said that the meeting to which Morocco was referring would be convened by the Administrator as a sort of pledging conference, but it would not be entered on the list of the Council's meetings.

96. The PRESIDENT said that, if he heard no objection, he would take it that the Council approved the dates proposed for its meetings in 1991 and 1992, taking account of the comments, reservations and requests made by delegations.

97. It was so decided.

98. The PRESIDENT recalled that several proposals had been made by various delegations concerning the subject for the high-level segment. Following consultations, the Bureau suggested the following topic: "Annual report of the Administrator, taking into account the priority areas identified therein". If he heard no objection, he would take it that that topic was acceptable to the Council.

99. It was so decided.

SUSPENSION OF THE SESSION

100. Mr. DRAPER (Administrator) said that future issues of the Human Development Report would respond constructively to concerns expressed by delegations. It was fitting that there should be one Governing Council for the United Nations Population Fund and UNDP. In the final analysis, development must be measured in per capita terms.

101. UNDP welcomed the recognition by donors that sovereignty, which they prized so highly, was just as precious to those countries which had only recently won it. Conditionality had no place in UNDP, whose programme must respond to the priorities of the Governments it served. UNDP's new efforts in Europe would not be at the expense of the rest of the developing world.

102. UNDP would provide the Council with the action plan it had requested on the senior management structure.

103. After an exchange of courtesies, the PRESIDENT declared the session suspended.

The meeting rose at 6.30 p.m.